

PORT ST. JOE, FLORIDA

JULY 8, 2009

SPECIAL MEETING

The Gulf County Board of County Commissioners met this date in special session with the following members present: Chairman Nathan Peters, Jr., Vice Chairman Carmen L. McLemore and Commissioners Billy E. Traylor, Bill Williams, and Warren Yeager.

Others present were: County Attorney Timothy McFarland, Clerk Rebecca L. Norris, Clerk Finance Officer Carla Hand, Deputy Clerk Kari Summers, Chief Administrator Don Butler, Assistant Administrator Michael Hammond, Deputy Administrator Lynn Lanier, Building Official Lee Collinsworth, Building Inspector George Knight, Emergency Management Director Marshall Nelson, E-911 Coordinator Ben Guthrie, Gulf County E.M.S. Director Shane McGuffin, Human Resource Director Denise Manual, Maintenance Superintendent Steve Mork, Assistant Mosquito Control Director Mark Cothran, Public Works Director Gerald Shearer, Deputy Property Appraiser Dan Christie, Road Department Superintendent Bobby Knee, Assistant Road Department Superintendent Chris Wood, Sheriff Joe Nugent, Solid Waste Director Joe Danford, Supervisor of Elections Linda Griffin, Tax Collector Shirley Jenkins, T.D.C. Director Paula Pickett and Veterans' Service Officer James Kennedy.

Chairman Peters called the meeting to order at 2:02 p.m., E.T.

BUDGET

Chairman Peters discussed the budget process and suggested that the Board not take any action on the budget at this meeting, stating that the next budget meeting will be held at 6:00 p.m. so the public can attend. Commissioner Yeager motioned for the Board to take no action on the Budget today. Commissioner Williams seconded the motion, and it passed unanimously. Chief Administrator Butler appeared before the Board to discuss the second presentation on the fiscal year 2009-10 budget from the Budget Review Committee. He reported that this presentation is based on a 24% reduction in property values. He reported that for 2008-09, the County property value is approximately \$2,576,438,071.00 billion and the County will collect approximately \$12,611,407.00 from Ad Valorem Tax at a millage rate of 4.8949. Chief Administrator Butler reported that with a 24% reduction, the property value will be reduced to approximately \$1,977,290,290.00 billion, and stated with the same millage rate, the County will collect \$9,678,638.00 million in Ad Valorem Tax. He also stated that in order to maintain the current funding, the new millage rate will need to increase to approximately 6.1618 mills. Chief Administrator Butler discussed State mandated items that the County is required to fund, totaling approximately \$9.399 million. Upon inquiry by Commissioner Traylor, Chief Administrator Butler reported that if the County does not change the millage rate there is as much mandates as there are funds. Chief Administrator Butler reported that the Budget Review Committee recommends that the Board delay the funding of the Sports Complex (\$300,000.00), stop improvements and maintain the jail in its current condition (\$300,000.00), do not hire a second Animal Control Officer (\$50,000.00), drop Property/Casualty insurances

(\$25,000.00), move the office of the Regional Conflict Counsel from the Courthouse (\$3,187.00), then the Clerk can use this area as a storage facility (\$4,200.00), for a savings of approximately \$682,387.00. He also discussed non-recurring costs already deducted from the current Budget: Communications (\$150,000.00), Munis System (\$50,000.00), Community Building in Wewahitchka (\$8,500.00), Courthouse renovations (\$100,000.00), Maintenance and Supervisor of Elections roofs (\$50,000.00), maintenance equipment (\$40,000.00), Wewahitchka Courthouse roof (\$60,000.00), Public Works Building (\$25,000.00), and a beach rake (\$60,000.00), totaling approximately \$543,500.00. Chief Administrator Butler discussed the Budget proposals, stating the property value starting October 1, 2009 for purposes of taxes is \$1,977,290,290.00, which will generate \$9,678,638.00 with the same millage rate of 4.8949, and to collect the same taxes as the current year, the Board would have to set the millage rate at 6.3781. He discussed at this point after the non-recurring costs and Committee recommendations have been deducted from the \$12,611,407.00, an additional \$1,941,956.00 will need to be cut to stay at the current 2008-09 millage rate. Chief Administrator Butler discussed that 100% of revenue for the Road Department will be Ad Valorem for 2009-10, due to the decrease in Property Values and collected gas taxes, as well as the bond rating decrease, (all gas tax will go towards the Road Bond payments). He discussed possible solutions that would gain revenue including: initiate tipping fees (\$500,000.00), consolidation (\$500,000.00), consider cutting the D.R.A. (\$250,000.00), and initiate ½ cent sales tax (\$300,000.00). Chief Administrator Butler reported that this could gain \$1,550,000.00 in revenue to be used to offset the decrease in property values. Upon inquiry by Chairman Peters, Chief Administrator Butler reported that the new Property Appraiser assessed values are \$1,977,290,290.00, stating that this is 24% less than last year. Upon inquiry by Chief Administrator Butler regarding the Budget Review Committee, Chairman Peters reported that the Budget Review Committee needs to stay in place at this time. Commissioner Traylor discussed that the Board needs to inquire of the City of Port St. Joe regarding the Sports Complex and D.R.A. funds. Chief Administrator Butler discussed that the agreement states that the City will match what the County funds, up to a maximum of \$600,000.00. Chairman Peters discussed that he has submitted a letter to the City of Port St. Joe requesting that they waive the \$300,000.00 for this year. County Attorney McFarland discussed that this money is not intended to fund their budget shortfalls, stating that it is intended to match the County's contribution for the benefit of the children. Commissioner Yeager discussed that the City has agreed to meet with the County in a workshop, reiterating the need to work together. Chief Administrator Butler reported that Charlie Weston notified him with a date of July 23, 2009 for the Workshop. Commissioner McLemore discussed that he is not for raising property taxes, and gave a presentation on revenue options, stating that he will support a ½ cent sales tax which would generate (\$300,000.00), and a Communications Service Tax (\$50,000.00) for a total of \$350,000.00. He also discussed other options to save the County money as follows: consolidation (\$500,000.00), decrease Economic Development Council budget (\$52,900.00), 16 employee/position cuts (\$564,924.88), Bargaining Unit decreases (\$323,123.12), and other options (\$552,900.00) with a savings of \$1,790,948.00. Upon inquiry by Chairman Peters concerning the Information Technology Position, Commissioner McLemore discussed that this position will not be cut from the budget. Commissioner Yeager discussed that he supports consolidation effective October 1, 2009, and also that he agrees with some of the other options in this plan. Commissioner Williams discussed the 5 cuts with the Constitutional Officers, stating that they need to meet with the

Constitutional Officers and see if this process is possible. Commissioner Traylor discussed that Commissioner McLemore is on the right track, stating that they can work with the October 1, 2009 deadline for consolidation. He also discussed that the County has to make changes this year with the Insurance, stating that the County cannot absorb the insurance costs any longer. Chairman Peters discussed that he likes the Budget Review Committee recommendations, stating that he has been working with the Budget Review Committee as Chairman, and is 100% opposed to staff reductions, stating that he will not support that. He discussed that this County has the best Mosquito Control Department in Northwest Florida, and he is not for cutting this Department. Chairman Peters discussed that he will not support cutting the Constitutional Officers, and also the Maintenance Department is short in the field on employees at this time. He also discussed that the Information Technology Position is very important to the County at this time, stating that this position does not need to be cut from the budget. Upon inquiry by Commissioner McLemore, Chief Administrator Butler discussed that the millage rate would have to be raised to approximately 6.1618 to recover the \$1.9 million lost. Commissioner Yeager discussed that the Ad Valorem system is broken, and the burden needs to be off the Ad Valorem Tax payers. Commissioner Traylor discussed that every County is going through cuts, stating that this is not pretty, but this is no reflection on the quality of work from any Department.

Tom Graney appeared before the Board and discussed that the County has to look at revenue, stating that the County has maintained at the \$12.6 million revenue rate for three years and everything has gone up and the County is trying to maintain at the same rate. He discussed that the County provides essential services for the citizens of this County.

Tom Graney E.D.C. Chairman appeared before the Board and discussed that the County has to have services and a revenue stream for people to come here.

Clerk Norris discussed taxes vs millage, and explained that just because the millage rate increases does not mean that you have a tax increase. She stated that the Budget Review Committee has done an excellent job in reducing costs to keep the County around the same amount of taxes as the 2008-09 fiscal year.

Emergency Management Director Marshall Nelson appeared before the Board and reported that the training exercise scheduled for today at 2:00 p.m. was cancelled due to the Special Budget Meeting, stating that it will be rescheduled at a later date.

There being no further discussion, and upon motion by Commissioner McLemore, the meeting did then adjourn at 3:13 p.m., E.T.

**NATHAN PETERS, JR.
CHAIRMAN**

ATTEST:

**REBECCA L. NORRIS
CLERK**